

**Baker & Hostetler LLP**

45 Rockefeller Plaza  
New York, NY 10111  
Telephone: (212) 589-4200  
Facsimile: (212) 589-4201  
David J. Sheehan  
Nicholas J. Cremona

*Attorneys for Irving H. Picard, Trustee  
for the Substantively Consolidated SIPA Liquidation  
of Bernard L. Madoff Investment Securities LLC  
and for the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION  
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT  
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation  
of Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

MORRIS BLUM LIVING TRUST AGREEMENT;  
NORMAN BLUM FAMILY TRUST; NORMAN  
BLUM NON-EXEMPT FAMILY TRUST; JOEL  
BLUM FAMILY TRUST; JOEL BLUM NON-  
EXEMPT FAMILY TRUST; NORMAN J. BLUM,  
individually and as Trustee for the Morris Blum  
Living Trust Agreement, Norman Blum Family

Adv. Pro. No.10-04846 (SMB)

Trust, and the Norman Blum Non-Exempt Family Trust; JOEL A. BLUM, individually and as Trustee for the Morris Blum Living Trust Agreement, the Joel Blum Family Trust, and the Joel Blum Non-Exempt Family Trust,

Defendants.

### **STIPULATION REGARDING DISMISSAL OF CERTAIN CLAIMS**

Irving H. Picard (the “Trustee”), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.*, and the substantively consolidated estate of Bernard L. Madoff individually, by and through his counsel, Baker & Hostetler LLP, and Morris Blum Living Trust Agreement, Norman Blum Family Trust; Norman Blum Non-Exempt Family Trust; Joel Blum Family Trust, Joel Blum Non-Exempt Family Trust (collectively referred to as the “Trusts”); Norman J. Blum, individually and as Trustee for the Trusts; and Joel A. Blum, individually and as Trustee for the Trusts (“Defendants”) (Trustee and Defendants, collectively, the “Parties”), hereby stipulate and agree to the following:

1. On December 1, 2010, the Trustee filed the Complaint against Defendants.
2. Defendants Norman Blum Family Trust, Norman Blum Non-Exempt Family Trust, and Norman J. Blum individually and as Trustee of the Trusts filed their Answer on April 17, 2014.
3. The Trustee and the remaining Defendants stipulated to extensions of time for the remaining Defendants to respond to the Trustee’s Complaint. [ECF No. 42]
4. Numerous defendants in other related adversary proceedings, but not Defendants, filed motions to dismiss (the “Motions to Dismiss”) complaints or amended complaints filed against them by the Trustee.

5. On June 2, 2015, the Bankruptcy Court granted in part and denied in part the Motions to Dismiss for reasons set forth in its Memorandum Decision Regarding Omnibus Motions to Dismiss (the “Decision”) [ECF No. 10089 in Adv. Pro. No. 08-01789 (SMB)].

6. On June 22, 2015, the Supreme Court of the United States denied *certiorari* of the Trustee’s appeal of *SIPC v. Ida Fishman Revocable Trust*, 14-1128 and *Picard v. Ida Fishman Revocable Trust*, 14-1129 (the “Supreme Court Decision”), and thus section 546(e) of the Bankruptcy Code applies to this adversary proceeding.

7. Pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, as incorporated by Rule 7041 of the Federal Rules of Bankruptcy Procedure, the Trustee’s claims in Counts Two through Eight of the Complaint are hereby dismissed.

8. Counts Two, Three, Four, Five, Six and Eight are dismissed with prejudice against all Defendants.

9. Count Seven for Recovery of Subsequent Transfers is dismissed as to all Defendants without prejudice to (i) the Trustee’s right to seek to amend in accordance with Rule 15(a)(2) of the Federal Rules of Civil Procedure, made applicable hereto by Federal Rule of Bankruptcy Procedure 7015, and/or (ii) the Trustee’s rights under Section 550(f) of the Bankruptcy Code.

10. Except as set forth herein, this Stipulation has no effect on the Trustee’s remaining counts in the Complaint.

11. The Clerk of the Court is hereby directed to amend the caption to remove certain parties, as reflected on Exhibit A to this Stipulation.

12. This Stipulation may be signed by the Parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and

the same instrument. A signed facsimile, photostatic or electronic copy of this Stipulation shall be deemed an original.

Dated: August 25, 2015

Of Counsel:

**BAKER & HOSTETLER LLP**

811 Main Street, Suite 1100  
Houston, Texas 77002-5018  
Telephone: 713.751.1600  
Facsimile: 713.751.1717  
Dean D. Hunt  
Email: dhunt@bakerlaw.com

**BAKER & HOSTETLER LLP**

By: s/ Nicholas J. Cremona

45 Rockefeller Plaza  
New York, New York 10111  
Telephone: 212.589.4200  
Facsimile: 212.589.4201  
David J. Sheehan  
Email: dsheehan@bakerlaw.com  
Nicholas J. Cremona  
Email: ncremona@bakerlaw.com

*Attorneys for Irving H. Picard, Trustee for the  
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Bernard L. Madoff Investment Securities LLC  
and for the Estate of Bernard L. Madoff*

**K&L GATES LLP**

By: /s/ Laura Clinton

925 Fourth Avenue, Suite 2900  
Seattle, Washington 98104  
Telephone: 206.370.7663  
Facsimile: 206.370.6334  
Joanne Hepburn  
Email: joanne.hepburn@klgates.com  
Laura Clinton  
Email: laura.clinton@klgates.com

*Attorneys for Defendants*

**Exhibit A**

**Baker & Hostetler LLP**

45 Rockefeller Plaza  
New York, NY 10111  
Telephone: (212) 589-4200  
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David J. Sheehan  
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Michael R. Matthias

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